

## **Preliminary Draft**

### **Police Retirement Board Meeting Regular Meeting July 17, 2013**

Chairman Hannon called the meeting to order at 8:05

Voting Members Present: Chairman Hannon, Vice Chairman D'Errico and First Selectman Freda.

Absent: Dr. Patrick Tomak and Officer Val Queiroga.

Others Present: Town Finance Director Edward Swinkoski and Police Chief McLoughlin.

Chairman Hannon asked for approval of the minutes from the January 16, 2013 Regular Meeting. A motion was made by Mr. D'errico to accept the minutes, second by Mr. Freda. After a brief discussion of the minutes of the meeting, the motion passed unanimously.

#### Old Business

Mr. Freda discussed the town funding of the ARC, or the Annual Required Contribution, of the Police Pension Fund. He also commented on the town's financial commitment to all the town pension funds in respect to the ARC payments. It was overfunded last year and North Haven is in better shape than many surrounding communities.

Mr. D'errico asked Mr. Swinkoski if the town received quarterly or monthly investment statements from Halsey Associates, the current investment management company for the police pension. Mr., Swinkoski responded that the statements are monthly and that he could make the statements available to the board members if requested.

Mr. Swinkoski stated that he could also have a representative of Halsey Associates and a representative of the Segal Company, the company that provides the actuarial service for the pension plan, attend a future retirement board meeting to report on the status of the fund if requested by the board.

Mr. Freda stated that overall, the investments with the police pension fund have performed well and have produced good returns, but he added that having more choices is sometimes good, adding that this topic might be a segue to a topic for new financial company.

#### New Business

Mr. Freda asked Mr. Swinkoski if he would brief the board members on Beirne Wealth Consultants of Milford CT.

Mr. Swinkoski explained that Beirne is an investment firm that provides "active management" of investments, as opposed to the current Halsey Company, where he described the investments as being on "auto pilot". Mr. Swinkoski further explained that with the Beirne Company, you have an active manager who monitors the investments more closely. As an example, Mr. Swinkoski described a recent investment period where another town pension fund being serviced by Beirne earned an 8% return. He concluded that Halsey does a good job, but this is just another option

Mr. D'Errico asked a question relating to the new police department hires, the officers that are in the 401 and 457-type retirement plan, and what affect they have on the older pension system. In response, Mr. Swinkoski stated that anyone in the 401 and 457 plans is responsible for their own funds. He added that in approximately fifty years the defined benefit retirement plan will no longer exist.

Mr. Freda added that with every new town employee, the town is saving approximately 26% of what had been paid into the ARC, and this savings will help sustain the older pension system until it no longer exists.

Chairman Hannon advised Mr. Swinkoski that she would like to have copies of the monthly investment statements made available to her and other board members. She said that the board could then review the month to month performance of Halsey and then discuss other options, such as Beirne, at future meetings.

Mr. D'Errico advised the board of the recent resignation of Officer Thomas Talarico. He stated that Talarico did not retire; however, because he was vested with 12 ½ years he would be eligible for 31.5% of his current rate of pay in twelve and one-half years, or what would have been Talarico's normal retirement date.

Chairman Hannon advised the board that the next Retirement Board Meeting would be October 16, 2013 at 8 a.m. in the conference room at the Town Hall. It was suggested that a representative from Halsey Associates attend this meeting to review our current status of the pension fund. It might also be a good idea to bring in the actuarial from Segal and Co.

With no further business, Chairman Hannon asked for a motion to adjourn. Motion to adjourn was made by Mr. D'Errico and a second was made by Mr. Freda. The motion passed unanimously. The time was 8:20 a.m.

Minutes by Chief McLoughlin